8th

ANNUAL REPORT

of the

PRINCE EDWARD ISLAND

LOTTERIES COMMISSION

for the

FISCAL YEAR ENDING

31 MARCH 1984

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Prince Edward Island
LOTTERIES COMMISSION

Post Office Box 2000
Charlottetown
Prince Edward Island
Canada C1A 7N8

4 January 1985

Letter of Committal

Minister of Finance and Tourism
Shaw Building
Provincial Administrative Buildings
Charlottetown
Prince Edward Island
C1A 7N8

Sir;

In accord with subsection 14(1) of the LOTTERIES ACT (L.P.E.I. 1976, Cap. 20), I hereby convey the report of the operations of the Prince Edward Island Lotteries Commission for the Fiscal Year ending 31 March 1984.

Yours truly,

Lloyd G. MacPhail

Honourable Lloyd G. MacPhail
Chairman
Prince Edward Island Lotteries Commission

# PRINCE EDWARD ISLAND LOTTERIES COMMISSION

## ANNUAL REPORT

for the Fiscal Year ending 31 March 1984

1. COMMISSION ESTABLISHED:

The Lotteries Act (L.P.E.I. 1976, Cap. 20), enacted by the Legislative Assembly at its 1976 session and given Royal Assent on 22 April 1976, provided for the establishment of a P.E.I. Lotteries Commission. The Act was proclaimed via Order-in-Council No. EC673/76 for effect on 24 July 1976.

2. MINISTER RESPONSIBLE AND OFFICERS:

In constituting the P.E.I. Lotteries Commission, the Lieutenant Governor in Council made the following appointments; Mr. MacPhail became Chairman of the Commission when the Administration changed on 3 May 1979.

2.1 Minister Designated as Responsible for the Administration of the Act (current): (via EC750/82 of 28 October 1982)

Minister of Finance

2.2 Chairman of the Commission: (via EC308/79 of 3 May 1979)

Hon. Lloyd G. MacPhail

2.3 Vice-Chairman of the Commission: (via EC849/83 of 3 November 1983)

W. Philip MacDougall

The Commission, at its first meeting, appointed the remaining Member of the Commission, the Clerk of the Executive Council (D.B. Boylan), as Secretary-Treasurer.

3. BYLAWS OF THE COMMISSION:

In addition to the requirements of the Lotteries Act, the Commission is governed by its Bylaws which were approved by the Lieutenant Governor in Council on 26 August 1976 via EC794/76.

4. AGREEMENTS

As provided in Section 7 of the Acts, subsections (b) and (c), the Commission recommended two agreements for the consideration of the Lieutenant Governor in Council, both of which were approved and subsequently entered into by the Commission.

4.1 via EC796/76 of 26 August 1976, an agreement with the Provinces of Nova Scotia, New Brunswick and Newfoundland to establish and operate a regional lottery.

4.2 via EC797/76 of 26 August 1976, an agreement for the establishment of the Atlantic Lottery Corporation.

5. LOTTERIES OPERATED OR SANCTIONED:

The P.E.I. Lotteries Commission did not operate any lotteries during the Fiscal Year 1982/83. Four lotteries sanctioned by the Commission (The A1, A50, Provincial and Super) continued to operate during the year. In addition, the Interprovincial's "649" and ALC "instant" games were introduced in P.E.I. during 1983.

6. ATLANTIC LOTTERY CORPORATION:

By motion of the Commission, W. Philip MacDougall and D. B. Boylan were named as the two P.E.I. Directors of the Atlantic Lottery Corporation and Mr. Boylan was designated as a Director of the Interprovincial Lottery Corporation. The Directors attended various meetings of the Corporation throughout the fiscal year ending 31 March 1984.

In particular, the P.E.I. Lotteries Commission extends its appreciation to the Genral Manager of the Atlantic Loto, Cluny MacPherson, for his continuing effort in the operation and management of the regional lottery.

7. MEETINGS OF THE COMMISSION:

During the Fiscal Year ended 31 March 1984, the Commission held four meetings: on 11 June 1983, 10 October 1983, 19 December 1983 and 22 February 1984.

8. FINANCIAL REPORT:

For the Fiscal Year ending 31 March 1984, the P.E.I. Commission received $1,790,544.80 from the Atlantic Lottery Corporation (being payment of the balance due for FY 82/83 at 31 March 1983, $141,604.70 and $1,648,940.10 of assigned profit for FY 83/84) and bank interest of $3,808.89 for a total income of $1,794,353.69.

However, the audited statement of the Atlantic Lottery Corporation shows a current balance of $302,803.86 due to the P.E.I. Lotteries Commission for FY 83/84. This amount will be provided to the Commission early in FY 84/85.

A receivable of $38,850.00 is shown in the Auditor's Report of the Atlantic Lottery Corporation which represents the long-term liability of that Corporation attributable to the P.E.I. Commission.

Thus, the net receivable from the Atlantic Lottery Corporation (as shown in the Corporation's audited statement for FY 83/84 is $341,653.86.

The Commission paid $1,793,032.63 to the Minister of Finance and Tourism for deposit in the Consolidated Revenue Fund (as required by Section 10 of the governing statute).

Expenditures totalled $1,007.99 leaving a balance of $341,001.59 payable to the Province.

APPENDIX A

PRINCE EDWARD ISLAND
LOTTERIES COMMISSION

STATEMENT
OF
REVENUE AND EXPENDITURE
FOR THE FISCAL YEAR
1 APRIL 1983 THROUGH 31 MARCH 1984

| A. REVENUE | SOURCE | AMOUNT |
|---|---|---|
| 20 May 1983 | Atlantic Lottery Corporation (profits distribution) | $ 100,743.81 |
| 16 June 1983 | Bank Interest | 912.00 |
| 22 June 1983 | Atlantic Lottery Corporation (profits distribution) | 251,655.40 |
| 3 August 1983 | Bank interest | 456.00 |
| 4 August 1983 | Atlantic Lottery Corporation (profits distribution) | 105,929.48 |
| 15 August 1983 | Bank interest | 1,546.89 |
| 22 August 1983 | Atlantic Lottery Corporation (profits distribution) | 78,109.46 |
| 20 September 1983 | Atlantic Lottery Corporation (profits distribution) | 86,736.58 |
| 23 September 1983 | Bank interest | 840.00 |
| 24 October 1983 | Atlantic Lottery Corporation (profits distribution) | 91,353.61 |
| 25 October 1983 | Bank interest | 54.00 |
| 23 November 1983 | Atlantic Lottery Corporation (profits distribution) | 144,460.38 |
| 19 December 1983 | Atlantic Lottery Corporation (profits distribution) | 223,347.76 |
| 18 January 1984 | Atlantic Lottery Corporation (profits distribution) | 194,510.17 |
| 20 February 1984 | Atlantic Lottery Corporation (profits distribution) | 267,167.20 |
| 20 March 1984 | Atlantic Lottery Corporation (profits distribution) | 246,530.95 |
| | TOTAL REVENUE | $1,794,353.69 |

| B. | EXPENDITURES | FAVOUR OF | AMOUNT |
|---|---|---|---|
| | 24 May 1983 | Minister of Finance & Tourism (consolidated revenue fund) | $ 99,743.81 |
| | 29 June 1983 | Kirkwood Motel (hosting ALC) | 811.76 |
| | 29 June 1983 | Paul's (hosting ALC) | 36.20 |
| | 4 August 1983 | Purolator (proxy despatch) | 15.75 |
| | 4 August 1983 | Minister of Finance & Tourism (consolidated revenue fund) | 105,929.48 |
| | 16 August 1983 | Minister of Finance & Tourism (consolidated revenue fund) | 251,655.40 |
| | 23 August 1983 | Minister of Finance & Tourism (consolidated revenue fund) | 78,109.46 |
| | 21 September 1983 | Minister of Finance & Tourism (consolidated revenue fund) | 86,736.58 |
| | 25 October 1983 | Minister of Finance & Tourism (consolidated revenue fund) | 91,353.61 |
| | 29 November 1983 | Minister of Finance & Tourism (consolidated revenue fund) | 144,460.38 |
| | 20 December 1983 | Minister of Finance & Tourism (consolidated revenue fund) | 226,835.59 |
| | 19 January 1984 | Minister of Finance & Tourism (consolidated revenue fund) | 194,510.17 |
| | 14 February 1984 | Grand and Toy (stationery) | 144.28 |
| | 21 February 1984 | Minister of Finance & Tourism (consolidated revenue fund) | 267,167.20 |
| | 21 March 1984 | Minister of Finance & Tourism (consolidated revenue fund) | 246,530.95 |
| | | TOTAL DISBURSEMENTS: | $1,794,040.62 |

# AUDITOR GENERAL

CHARLOTTETOWN

PRINCE EDWARD ISLAND

PRINCE EDWARD ISLAND LOTTERIES COMMISSION

FINANCIAL STATEMENTS

MARCH 31, 1984

# AUDITOR GENERAL

**CHARLOTTETOWN**

**PRINCE EDWARD ISLAND**

AUDITOR'S REPORT

Chairman and Members
Prince Edward Island Lotteries Commission

I have examined the balance sheet of the Prince Edward Island Lotteries Commission as at March 31, 1984 and the Statement of Financial Activities for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Commission as at March 31, 1984 and the results of its operations for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

T. Kaptein, C.A.
Auditor General

Charlottetown, Prince Edward Island
November 29, 1984

STATEMENT 1

PRINCE EDWARD ISLAND LOTTERIES COMMISSION

BALANCE SHEET

MARCH 31, 1984

(with comparative figures at March 31, 1983)

ASSETS

| | 1984 | 1983 |
|---|---|---|
| Cash | $ 356 | $ 43 |
| Accounts receivable - Atlantic Lottery Corporation Inc. - Note 1 | 341,653 | 174,782 |
| Share in Atlantic Lottery Corporation Inc. - at cost | 100 | 100 |
| Share in Interprovincial Lottery Corporation - at cost | 1 | 1 |
| | $342,110 | $174,926 |

LIABILITIES

| | | |
|---|---|---|
| Due to Province of Prince Edward Island Consolidated Fund | $342,110 | $174,926 |
| | $342,110 | $174,926 |

(Notes 1 to 3 are an integral part of these financial statements)

SIGNED ON BEHALF OF THE COMMISSION:

_____

_____

STATEMENT 2

PRINCE EDWARD ISLAND LOTTERIES COMMISSION

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED MARCH 31, 1984

(with comparative figures for the year ended March 31, 1983)

| | 1984 | 1983 |
|---|---|---|
| INCOME | | |
| Distribution of Atlantic Lottery Corporation net profit | $1,961,226 | $1,423,400 |
| | $1,961,226 | $1,423,400 |
| EXPENSES | | |
| Stationary and Supplies | 160 | 24 |
| Annual Meeting Expense | 848 | - |
| | 1,008 | 24 |
| Net Income before remittance to Province | 1,960,218 | 1,423,376 |
| Contribution to Prince Edward Island Consolidated Fund | $1,960,218 | $1,423,376 |

(Notes 1 to 3 are an integral part of these financial statements)

PRINCE EDWARD ISLAND LOTTERIES COMMISSION

NOTES TO FINANCIAL STATEMENTS

MARCH 31, 1984

1. Included in accounts receivable is $38,850 which represents the proportion of the cost of fixed assets purchased by Atlantic Lottery Corporation Inc. attributable to the Prince Edward Island Lotteries Commission on a ratio of ticket sales basis. This amount is included in long-term liabilities on the financial statements of Atlantic Lottery Corporation Inc.

2. Income of the Commission is the Prince Edward Island share of the revenues of the Atlantic Lottery Corporation Inc. This share is based on the net ticket sales for each game less direct and operating costs allocated by gross sales for that game.

3. During the year the Commission hosted the Annual Meeting of the Atlantic Lottery Corporation. This meeting is rotated among the four jurisdictions.